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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-932

Certain Steel Threaded Rod from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Rescission of Antidumping Duty Administrative Review, in Part; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Department) preliminarily determines that mandatory respondent Zhejiang New Oriental Fastener Co., Ltd. (New Oriental), does not qualify for a separate rate and is, therefore, considered a part of the People's Republic of China (PRC)-wide entity for its exports of subject merchandise exported to the United States during the period of review (POR), April 1, 2015, through March 31, 2016. We also preliminarily find that mandatory respondent IFI & Morgan Ltd. and RMB Fasteners Ltd. (RMB/IFI Group), did not have any reviewable transactions during the POR. If these preliminary results are adopted in the final results, the Department will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties (AD) on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results.

DATES: Effective [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Matthew Renkey or Courtney Canales, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington D.C. 20230; telephone: (202) 482-2312 or (202) 482-4997, respectively.

#### SUPPLEMENTARY INFORMATION:

## Background

On June 6, 2016, the Department published in the Federal Register the notice of initiation of an administrative review of the AD order on certain steel threaded rod (STR) from the PRC for the period of review April 1, 2015, through March 31, 2016. The Department initiated a review with respect to 117 companies. Subsequently, on September 12, 2016, the Department published in the Federal Register a correction to the Initiation Notice, adding an additional three companies.<sup>2</sup> The Department selected two mandatory respondents, New Oriental and RMB/IFI Group, based on highest volume of exports. <sup>3</sup> Between September 6, 2016, and April 5, 2017, the Department requested and received information from the RMB/IFI Group pertaining to RMB/IFI Group's claim of no shipments, and also received comments from Petitioner<sup>4</sup> about this issue. The other mandatory respondent, New Oriental, did not respond to the Department's AD questionnaire. Tianjin Port Free Trade Zone Tianjin Star International Trade Co., Ltd. (Tianjin Star), submitted a separate rate application, and requested to be a mandatory or voluntary respondent, but it never responded to the Department's AD questionnaire. On September 21, 2016, the petitioner withdrew its request for review for 115 companies.<sup>5</sup> However, the petitioner did not withdraw its request for review on New Oriental, RMB/IFI Group, Tianjin Star, Zhejiang Heiter Industries Co., Ltd. (Zhejiang Heiter Industries), and Zhejiang Heiter Mfg & Trade Co. Ltd. (Zhejiang Heiter Mfg).

*Scope of the Order* 

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<sup>&</sup>lt;sup>1</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 81 FR 36272 (June 6, 2016) (Initiation Notice). The Initiation Notice inaccurately stated the period of review, which was corrected in a notice published on July 7, 2016. See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 81 FR 44260, 44265 (July 7, 2016).

<sup>&</sup>lt;sup>2</sup> See Initiation Notice, 81 FR at 62726 dated September 12, 2016.

<sup>&</sup>lt;sup>3</sup> See Respondent Selection Memo dated August 29, 2016.

<sup>&</sup>lt;sup>4</sup> Vulcan Threaded Products Inc. (Vulcan) (the petitioner).

<sup>&</sup>lt;sup>5</sup> See the petitioner's submission dated September 21, 2016.

The merchandise covered by the order includes steel threaded rod. The subject merchandise is currently classifiable under subheading 7318.15.5051, 7318.15.5056, 7318.15.5090, and 7318.15.2095 of the United States Harmonized Tariff Schedule (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise is dispositive.<sup>6</sup>

Rescission of Review, In Part

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, "in whole or in part, if a party that requested a review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review." Petitioner timely withdrew its review requests with respect to 115 companies. Because we received no other requests for review of these 115 companies, 7 we are rescinding the administrative review with respect to all companies except New Oriental, RMB/IFI Group, Tianjin Star, Zhejiang Heiter Industries and Zhejiang Heiter Mfg, in accordance with 19 CFR 351.213(d)(1).

No Shipments

On July 5, 2016, RMB/IFI Group filed a no-shipment certification indicating that it did not export subject merchandise to the United States during the POR. During the course of this review, the Department examined this no shipments claim and provides its analysis in the Preliminary Decision Memorandum.

Based on the record evidence, we preliminarily determine that RMB/IFI Group did not have any reviewable transactions during the POR. In addition, we find that it is appropriate not

<sup>&</sup>lt;sup>6</sup> For a full description of the scope of the *Order*, *see* Memorandum from Gary Taverman, Associate Deputy Assistant Secretary, AD/CVD Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, entitled, "Certain Steel Threaded Rod from the People's Republic of China: Decision Memorandum for the Preliminary Results of the 2015-2016 Antidumping Duty Administrative Review" (Preliminary Decision Memorandum), dated concurrently with, and hereby adopted by, this notice.

See Appendix II for the list of companies.

to rescind the review, in part, in this circumstance, and to complete the review with respect to the above-named company, issuing appropriate instructions to CBP based on the final results of the review. Should evidence contrary to RMB/IFI's no-shipments claims arise, we will address the issue in accordance with our governing statute and regulations.

## *Methodology*

The Department is conducting this review in accordance with sections 751(a)(1)(B) and 751(a)(2)(A) of the Tariff Act of 1930, as amended (the Act). Because New Oriental did not respond to our AD questionnaire, including Section A, which requests its separate rate information, we preliminarily find that New Oriental has not demonstrated its eligibility for a separate rate, and accordingly, we are preliminarily treating New Oriental as part of the PRC-wide entity. In addition, because neither Zhejiang Heiter Industries nor Zhejiang Heiter Mfg submitted a separate rate application, we are also preliminarily treating both companies as part of the PRC-wide entity. We also preliminarily determine that Tianjin Star is eligible for a separate rate.

The statute and the Department's regulations do not address the establishment of a rate to be applied to respondents not selected for individual examination when the Department limits its examination in an administrative review pursuant to section 777A(c)(2)(B) of the Act.

Generally, the Department looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for respondents which we did not individually examine in an administrative review. Section 735(c)(5)(A) of the Act articulates a preference that we not calculate an all-others rate using rates which are zero, *de minimis* or based entirely on facts available. When the weighted-average

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<sup>&</sup>lt;sup>8</sup> See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694, 65694-65695 (October 24, 2011).

dumping margins established for all individually investigated respondents are zero, *de minimis*, or based entirely on facts available, section 735(c)(5)(B) of the Act permits the Department to "use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated, including averaging the estimated weighted average dumping margins determined for the exporters and producers individually investigated." Because New Oriental is part of the PRC-wide entity, for which no review was requested, and RMB/IFI Group did not have any reviewable transactions during the POR, there are no calculated margins that are not zero, *de minimis*, or based entirely on facts available to consider in establishing a margin for Tianjin Star. In the absence of any calculated rates in this segment, to determine a non-selected rate for Tianjin Star in this review, we have reached back to the calculated above-*de minimis* rate from the immediately preceding administrative review. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum. A list of topics included in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="https://access.trade.gov">https://access.trade.gov</a>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <a href="http://enforcement.trade.gov/frn/">http://enforcement.trade.gov/frn/</a>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

### Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margins exist for the period April 1, 2015, through March 31, 2016:

Exporter/Producer	Weighted-Average Margins
Tianjin Port Free Trade Zone Tianjin Star International Trade Co., Ltd.	5.40
PRC-Wide Entity <sup>9</sup>	206.00

#### Disclosure

Normally, the Department discloses to interested parties the calculations performed in connection with its preliminary results within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). However, because the Department is not calculating a weighted-average dumping margin for either of the mandatory respondents selected for individual examination, there are no calculations to disclose.

#### Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination, unless the Secretary alters the time limit. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs. Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or

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<sup>&</sup>lt;sup>9</sup> The PRC-wide entity includes mandatory respondent New Oriental Fastener Co., Ltd., as well as Zhejiang Heiter Industries and Zhejiang Heiter Mfg. The rate for the PRC-Wide Entity was originally set in the original investigation, see Certain Steel Threaded Rod from the People's Republic of China: Final Determination of Sales at Less than Fair Value, 74 FR 8907 (February 27, 2009). This rate has been used in each subsequent administrative review in which there was party being considered as part of the PRC-Wide Entity.

<sup>10</sup> See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington, D.C., 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

The Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

#### Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

For any individually examined respondent whose weighted average dumping margin is above *de minimis* (*i.e.*, 0.50 percent) in the final results of this review, the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of

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<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.212(b).

dumping calculated for the importer's examined sales to the total entered value of sales, in accordance with 19 CFR 351.212(b)(1). Where an importer- (or customer-) specific ad valorem rate is greater than *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation. 12 Where either a respondent's weighted average dumping margin is zero or de minimis, or an importer- (or customer-) specific ad valorem is zero or de minimis, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.<sup>13</sup>

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) For the companies listed above that have a separate rate, the cash deposit rate will be that established in the final results of this review (except, if the rate is zero or de minimis, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporterspecific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-Wide entity (i.e., 206 percent); and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

See 19 CFR 351.212(b)(1).
 See 19 CFR 351.106(c)(2).

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility

under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping

duties prior to liquidation of the relevant entries during the POR. Failure to comply with this

requirement could result in the Department's presumption that reimbursement of antidumping

duties occurred and the subsequent assessment of double antidumping duties.

This preliminary determination is issued and published in accordance with sections

751(a)(1) and 777(i)(1) of the Act.

Ronald K. Lorentzen

**Acting Assistant Secretary** 

for Enforcement and Compliance

Dated: May 1, 2017

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# Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum:

- 1. Summary
- 2. Background
- 3. Scope of the Order
- 4. Discussion of the Methodology
  - a. Partial Rescission
  - b. No Shipments
  - c. NME Country Status
  - d. Separate Rates
  - e. Companies Considered as Part of the PRC-Wide Entity
- 5. Recommendation

## Appendix II

## List of Companies for Which Petitioner Has Withdrawn its Request for Administrative Review

- 1. Aerospace Precision Corp. (Shanghai) Industry Co., Ltd.
- 2. Aihua Holding Group Co. Ltd.
- 3. Autocraft Industry (Shanghai) Ltd.
- 4. Autocraft Industry Ltd.
- 5. Billion Land Ltd.
- 6. Billiongold Hardware Co. Ltd.
- 7. Bolt MFG. Trade Ltd.
- 8. Brighton Best International (Taiwan) Inc.
- 9. Brother Holding Group Co. Ltd.
- 10. C and H International Corporation.
- 11. Certified Products International Inc.
- 12. Changshu City Standard Parts Factory.
- 13. China Friendly Nation Hardware Technology Limited.
- 14. D.M.D. International Co. Ltd.
- 15. Dongxiang Accuracy Hardware Co., Ltd.
- 16. EC International (Nantong) Co., Ltd.
- 17. Fastco (Shanghai) Trading Co., Ltd.
- 18. Fasten International Co., Ltd.
- 19. Fastwell Industry Co. Ltd.
- 20. Fook Shing Bolts & Nuts Co. Ltd.
- 21. Fuda Xiongzhen Macyinery Co., Ltd.
- 22. Fuller Shanghai Co Ltd.
- 23. Gem-Year Industrial Co. Ltd.
- 24. Guangdong Honjinn Metal & Plastic Co., Ltd.
- 25. Hainan Zhongyan United Development Co.
- 26. Hainan Zhongda Fastener Co., Ltd.
- 27. Haiyan Chaqqiang Standard Fasterner.
- 28. Haiyan Dayu Fasterners Co., Ltd.
- 29. Haiyan Evergreen Standard Parts Co. Ltd.
- 30. Haiyan Fuxin High Strength Fasterner.
- 31. Haiyan Hurras Import & Export Co. Ltd.
- 32. Haiyan Jianhe Hardward Co. Ltd.
- 33. Haiyan Julong Standard Part Co. Ltd.
- 34. Haiyan Yuxing Nuts Co. Ltd.
- 35. Hangzhou Everbright Imp. & Exp. Co. Ltd.
- 36. Hangzhou Grand Imp & Exp. Co., Ltd.
- 37. Hangzhou Great Imp & Exp. Co. Ltd.
- 38. Hangzhou Lizhan Hardware Co. Ltd.
- 39. Hangzhou Tongwang Machinery Co., Ltd.
- 40. Hong Kong Sunrise Fasteners Co. Ltd.

- 41. Hong Kong Yichen Co. Ltd.
- 42. Jiangsu Zhongweiyu Communication Equipment Co. Ltd.
- 43. Jiashan Steelfit Trading Co. Ltd.
- 44. Jiashan Zhongsheng Metal Products Co., Ltd.
- 45. Jiaxing Jinhow Import & Export Co., Ltd.
- 46. Jiaxing Xinyue Standard Part Co. Ltd.
- 47. Jiaxing Yaoliang Import & Export Co., Ltd.
- 48. Jinan Banghe Industry & Trade Co., Ltd.
- 49. King Socket Screw Company Ltd.
- 50. L&W Fasteners Company.
- 51. Macropower Industrial Inc.
- 52. Mai Seng International Trading Co., Ltd.
- 53. MB Services Company.
- 54. Midas Union Co., Ltd.
- 55. Nanjing Prosper Import & Export Corporation Ltd.
- 56. New Pole Power System Co. Ltd.
- 57. Ningbiao Bolts & Nuts Manufacturing Co.
- 58. Ningbo Beilun Milfast Metalworks Co. Ltd.
- 59. Ningbo Beilun Pingxin Hardware Co., Ltd.
- 60. Ningbo Dexin Fastener Co. Ltd.
- 61. Ningbo Dongxin High-Strength Nut Co., Ltd.
- 62. Ningbo Fastener Factory.
- 63. Ningbo Fengya Imp. And Exp. Co. Ltd.
- 64. Ningbo Fourway Co., Ltd.
- 65. Ningbo Haishu Holy Hardware Import and Export Co. Ltd.
- 66. Ningbo Haishu Wit Import & Export Co. Ltd.
- 67. Ningbo Haishu Yixie Import & Export Co. Ltd.
- 68. Ningbo Jinding Fastening Pieces Co., Ltd.
- 69. Ningbo MPF Manufacturing Co. Ltd.
- 70. Ningbo Panxiang Imp. & Exp., Co. Ltd.
- 71. Ningbo Qianjiu Instrument Case Factory
- 72. Ningbo Yili Import & Export Co., Ltd.
- 73. Ningbo Yinzhou Dongxiang Accuarcy Hardware Co., Ltd.
- 74. Ningbo Yinzhou Foreign Trade Co., Ltd.
- 75. Ningbo Yinzhou Woafan Industry & Trade Co., Ltd.
- 76. Ningbo Zhendai Dingli Fasterner Screw Co., Ltd.
- 77. Ningbo Zhenghai Yongding Fastener Co., Ltd.
- 78. Ningbo Zhongjiang High Strength Bolts Co. Ltd.
- 79. Ningbo Zhongjiang Petroleum Pipes & Machinery Co., Ltd.
- 80. Orient International Holding Shanghai Rongheng Intl Trading Co. Ltd.
- 81. Pol Shin Fastener (Zhejiang) Co.
- 82. Prosper Business and Industry Co., Ltd.
- 83. Qingdao Free Trade Zone Health Intl.
- 84. Qingdao Top Steel Industrial Co. Ltd.
- 85. Shaanxi Succeed Trading Co., Ltd.
- 86. Shanghai Autocraft Co., Ltd.

- 87. Shanghai East Best Foreign Trade Co.
- 88. Shanghai East Best International Business Development Co., Ltd.
- 89. Shanghai Fortune International Co. Ltd.
- 90. Shanghai Furen International Trading.
- 91. Shanghai Hunan Foreign Economic Co., Ltd.
- 92. Shanghai Jiabao Trade Development Co. Ltd.
- 93. Shanghai Nanshi Foreign Economic Co.
- 94. Shanghai Overseas International Trading Co. Ltd.
- 95. Shanghai Prime Machinery Co. Ltd.
- 96. Shanghai Printing & Dyeing and Knitting Mill.
- 97. Shanghai Printing & Packaging Machinery Corp.
- 98. Shanghai Recky International Trading Co., Ltd.
- 99. Shanghai Sinotex United Corp. Ltd.
- 100. SRC Metal (Shanghai) Co., Ltd.
- 101. Suntec Industries Co., Ltd.
- 102. Suzhou Henry International Trading Co., Ltd.
- 103. T and C Fastener Co. Ltd.
- 104. T and L Industry Co. Ltd.
- 105. Wisechain Trading Limited.
- 106. Wuxi Metec Metal Co. Ltd.
- 107. Zhejiang Heirrmu Mechanical and Electrical Equipment Manufacturing Co Ltd.
- 108. Zhejiang Jin Zeen Fasteners Co. Ltd.
- 109. Zhejiang Junyue Standard Part Co., Ltd.
- 110. Zhejiang Laibao Precision Technology Co. Ltd.
- 111. Zhejiang Metals & Minerals Imp & Exp Co. Ltd.
- 112. Zhejiang Morgan Brother Technology Co. Ltd.
- 113. Zhejiang New Century Imp & Exp Co. Ltd.
- 114. Zhejiang Zhenglian Industry Development Co., Ltd.
- 115. Zhoushan Zhengyuan Standard Parts Co., Ltd.

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